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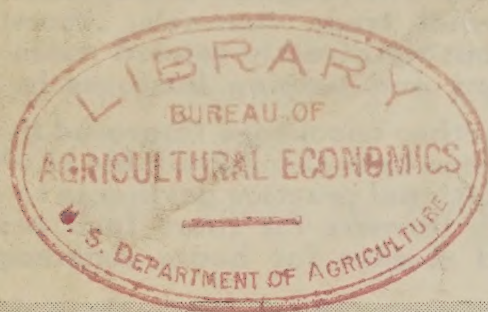


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# Using Cotton Stamps

under the

## Supplementary Cotton Program



UNITED STATES DEPARTMENT OF AGRICULTURE  
Surplus Marketing Administration



## FOREWORD

The purposes of the Supplementary Cotton Program are:

1. To reduce the acreage planted to cotton this year.
2. To increase the consumption of cotton goods among cotton producers themselves. The program will operate through normal trade channels, thereby contributing directly toward more employment and helping business in general.
3. To further encourage improved living conditions by making available \$3,000,000 for additional practice payments to cooperating farmers for more food production and storage for home consumption.

Cotton more than any other American crop is dependent upon foreign buyers for its markets. The war abroad has sharply curtailed our exports of American cotton. At the same time many cotton producers have not been able to buy needed cotton goods for themselves and their families. As part of its broad program to improve this situation, the United States Department of Agriculture is making \$25,000,000 available to cotton farmers who are co-operating in making further cotton acreage reductions. This \$25,000,000 order for cotton goods which will be placed in the normal channels of trade by cotton farmers through the use of Cotton Stamps will aid merchants selling cotton goods and contribute to reemployment.

Retail merchants dealing in cotton goods will be one of the most important groups in this Cotton Stamp Program. By aggressive merchandising methods and by pushing the sale of cotton goods, not only to those who will be using the stamps but to every family in each community, retail merchants will make a substantial contribution toward solving the problem of price-depressing cotton surpluses and underconsumption of cotton goods by a large part of our people.

( The purpose of this leaflet is to explain to retail merchants, farmers, and the public in general how stamps are exchanged for cotton goods under the Supplementary Cotton Program. )



## **PROGRAM DETAILS**

### **1. What stores may accept stamps in exchange for cotton goods?**

Any retail store which carries on, in whole or in part, the normal business of selling cotton goods to buyers for use and not for resale in any form. Mail order houses may also become eligible to accept Cotton Stamps. Peddlers and other itinerant merchants cannot accept Cotton Stamps.

### **2. How can retail stores and mail order houses become eligible to accept Cotton Stamps?**

All retail stores wishing to take part must furnish the Surplus Marketing Administration with a completed "Retailer's Statement," Form SMA 510, and receive acknowledgment before accepting any stamps. Information about application forms may be obtained from the local County Agricultural or Home Demonstration Agent.

Only those mail order houses which sell cotton and cotton goods as a normal part of their business may be eligible to accept Cotton Stamps through the mail. Mail order houses wishing to take part must make an application on Form SMA 511, and forward it, together with their published catalog, to the Washington office of the Surplus Marketing Administration. Application forms for mail order houses can be obtained only by writing to the Surplus Marketing Administration, United States Department of Agriculture, 1014 Fifth Street, Northwest, Washington, D. C.

### **3. What are the approximate dates when retail stores can expect the cotton farmers to get their stamps?**

There is no definite time for farmers to get their Cotton Stamps; however, the Department of Agriculture estimates that it will begin the issuance of stamps, which will take from 3 to 4



months to complete, to participating cotton farmers around the following dates:

June 1.—Ariz., Calif., and N. Mex.

June 15.—Ala., Fla., Ga., La., and Tex.

July 1.—Ark., Ky., Miss., N. C., Okla., S. C., Tenn., and Va.

July 15.—Ill., Kans., and Mo.

#### **4. What kinds of goods may be exchanged for Cotton Stamps?**

Any new cotton product made entirely from new cotton that has been grown, processed, and manufactured in the United States. Goods or clothing made from 100 percent American cotton, which have bindings, buttons and other fasteners, findings and trimmings, may be exchanged for Cotton Stamps. Any article in which synthetic fiber, wool, silk, cotton lint-ers, or nonspinnable waste are part of the fabric structure can NOT be exchanged for cotton stamps.

#### **5. May cotton and cotton products grown, processed and manufactured in the territories or possessions of the United States, such as Puerto Rico, be sold for Cotton Stamps?**

Yes.

#### **6. How will a retailer know which articles are made entirely of American cotton?**

(1) For his stock on hand, the retailer should write to the wholesaler from whom his cotton goods were purchased.

(2) For new orders, the retailer should request on the order that the wholesaler or manufacturer state on the invoice which cotton goods are made entirely of cotton grown, processed and manufactured in the United States.

#### **7. How will a retailer show which articles are exchangeable for Cotton Stamps?**

Any method may be used which will definitely show that cotton goods and products are made in the United States from 100 percent American cotton. Some retailers rubber stamp the price tag or label with a picture of a cotton boll or the words "All American Cotton."



**8. What are some of the cotton products that can be bought with Cotton Stamps?**

Cotton piece goods, women's dresses and housecoats, men's overalls and shirts, sheets, men's pants, children's clothes, men's underwear, blankets, work gloves, plowlines, stockings, and other cotton products.

**9. May Cotton Stamps be used to buy second-hand cotton goods?**

No. Cotton Stamps will buy only those products which are new and which are made of new cotton or cotton goods.

**10. May cotton mops be bought with Cotton Stamps?**

No, except mop heads detached from the handle and containing no metal attachments.

**11. May cotton thread be sold for Cotton Stamps?**

Yes, if the thread is made entirely of cotton grown, processed, and manufactured in the United States.

**12. Will persons using Cotton Stamps to buy cotton goods get the same products as persons who pay cash?**

Yes, and at the same price.

**13. In areas where the Cotton Stamp Plan is now operating, what have people bought with Cotton Stamps?**

In Minneapolis and St. Paul, Minn.; Springfield, Mass.; and Memphis, Tenn., studies made in July, August, and September, 1940, showed that an estimated 37 percent of Cotton Stamps was used to purchase household goods, 27 percent for men's wear, 17 percent for ladies' wear, 10 percent for boys' wear, 5 percent for girls' wear, and 4 percent for infants' wear.

**14. On the basis of this study, what specific items have been the most popular among stamp users under the Cotton Stamp Plan?**

Piece goods, ladies' dresses and housecoats, men's shirts, sheets, men's pants, men's underwear, and curtains. Other popular items in-



cluded boys' suits and overalls, towels, bedspreads, blankets, men's suits and slacks, boys' shirts, pillowcases, women's night clothes, men's stockings and girls' dresses.

**15. Did the study show the prices of goods purchased with stamps?**

Yes. The average price for all articles purchased was 40 cents—ranging from a high of 43 cents in the Minneapolis-St. Paul area, to 39 cents in Springfield, Mass., to 32 cents in Memphis. One-fourth of all items, by value, fell below 30 cents, one-half below 90 cents, and three-fourths below \$1.10.

**16. What did the study show were the average prices for various cotton goods?**

During the period of the study, average prices ranged from a low of 11 cents for girls' stockings, mostly short socks, to a high of \$2.38 for bedspreads. Other average prices were 74 cents for ladies' wear, 55 cents for men's wear, 48 cents for boys' wear, 42 cents for girls' wear, 31 cents for infants' wear, and 28 cents for certain household items.

**17. What does a Cotton Stamp look like?**

Cotton Stamps are the size of United States air mail postage stamps, and have a picture of a cotton boll. Each stamp is worth 25 cents. Cotton Stamps will be issued in books containing two or more stamps.

**18. May retail merchants give change to customers using Cotton Stamps?**

No.

**19. Since merchants cannot give change and since all Cotton Stamps are printed in 25-cent denominations, what is done when the price of the cotton goods purchased does not come out exactly to 25 cents, 50 cents, 75 cents or some other multiple of 25?**

Suppose the purchase price is 60 cents. (1) The customer could give two Cotton Stamps representing 50 cents to the merchant and pay the additional 10 cents in cash, or (2) the pur-



chaser could give the merchant three Cotton Stamps representing 75 cents and buy some other cotton goods product that costs 15 cents, or (3) the customer could give three Cotton Stamps representing 75 cents to the merchant and receive from the merchant a credit slip for 15 cents which could be used for the purchase of cotton goods at the same store in the future.

**20. Will retail stores accept Cotton Stamps that have been taken out of the stamp book?**

No. Cotton Stamps must be taken out of the stamp books at the time the purchase is made—except when Cotton Stamps are sent through the mail to mail order houses for cotton goods.

**21. May anyone other than the person to whom the Cotton Stamps are issued use them?**

The person to whom the stamps are issued signs his name on the stamp book. Then, only the person to whom the stamps are issued or a member of his family may take the book to the retail store and exchange the stamps for cotton products. If the retail merchant or clerk does not know the person who brings in the book, he is required to have the person identify himself.

**22. May Cotton Stamps be sold or traded?**

No. They can be used only for cotton or cotton products and only by the person or family to whom they are issued. Any person or any retail merchant who misuses the Cotton Stamps will be subject to penalties imposed by Federal law.

**23. May Cotton Stamps be used to pay outstanding (old) bills or accounts?**

No.

**24. May Cotton Stamps be used to make "installment purchases" of cotton goods?**

Cotton Stamps may be used to make a "down payment" on cotton goods, if the goods are delivered at the same time. Cotton Stamps



cannot be used to make the remaining installment payments. Cotton Stamps cannot be used to make payments under a "lay away" plan.

**25. May Cotton Stamp books be left with the retail merchant, or signed over to a merchant or landlord?**

No. Books must be kept by the person to whom they are issued for his use as he sees fit in exchanging Cotton Stamps for cotton goods.

**26. Must the entire amount of stamps be used at any one time?**

No. One stamp or all stamps may be used at any one time, or over a period of time, until the total amount of stamps has been exchanged for cotton goods.

**27. How does a retail merchant get his money for the Cotton Stamps he has accepted for cotton goods?**

The retail merchant will be supplied with stamp cards to which he must paste the stamps. The merchant must sign the cards and forward them to the Surplus Marketing Administration for payment. The merchant should receive a United States Government check within a week. The merchant will receive detailed instructions on how to get payment from the United States Government for Cotton Stamps at the time the "Retailer's Statement" form is signed and acknowledgment is received from the Surplus Marketing Administration.

## **FOR ADDITIONAL INFORMATION**

Retail merchants should see their special community Cotton Stamp Committee, local representatives of the Surplus Marketing Administration, the County Agricultural Agent, or the County Home Demonstration Agent for additional information.

Cotton farmers should see their local County Agricultural and Home Demonstration Agents, AAA County Committee, Farm Security Administration Supervisor, or a representative of the Surplus Marketing Administration.